

## Message Text

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PAGE 01 STATE 046454  
ORIGIN EB-08

INFO OCT-01 AF-08 IO-13 ISO-00 AGRE-00 CEA-01 CIAE-00  
COME-00 DODE-00 FRB-03 H-01 INR-07 INT-05 L-03 LAB-04  
NSAE-00 NSC-05 PA-01 AID-05 SS-15 STR-04 ITC-01  
TRSE-00 PRS-01 SP-02 OMB-01 FEA-01 ARA-06 EA-07  
EUR-12 NEA-10 SSO-00 NSCE-00 INRE-00 USIE-00 /125 R

DRAFTED BY EB/OT/GCP:RREIS  
APPROVED BY EB/OT/GCP:SAHMAD  
AF/EPS:DMCCLELLAN  
AF/W:DKILLION  
STR:BSTEINBOCK  
COMMERCE:WPOUNDS  
COMMERCE:JJOHNSTON  
TREASURY:EBARBER  
-----022244 120810 /67  
O R 022221Z MAR 77  
FM SECSTATE WASHDC  
TO AMEMBASSY DAKAR IMMEDIATE  
INFO USMISSION GENEVA

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E.O. 11652: N/A

TAGS: ETRD, SG

SUBJECT: GSP - REVERSE PREFERENCES - SENEGAL

REF: A) DAKAR 1439 B) STATE 40078

1. WE UNDERSTAND THAT SENEGAL MAY WISH TO AVOID THE CONSEQUENCES OF THE REVERSE PREFERENCE PROVISION IN THE TRADE ACT BY GRANTING THE US THE SAME PREFERENCES IT ACCORDS THE EC. HOWEVER, THE US CONSISTENTLY HAS OPPOSED SPECIAL  
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PREFERENTIAL ARRANGEMENTS, PARTICULARLY WHEN REVERSE PREFERENCES ARE GRANTED TO DEVELOPED COUNTRIES BY DEVELOPING COUNTRIES. IN 1973 THE US OBTAINED THE COMMUNITY'S TACIT AGREEMENT NOT TO REQUIRE REVERSE PREFERENCES OF ITS PREFERRED TRADING PARTNERS AND AS YOU KNOW THE LOME AGREEMENT DOES NOT REQUIRE THEM. IN LIGHT OF THIS, IT WOULD BE INCONSISTENT FOR THE US TO ENTER INTO A REVERSE PREFERENCE

ARRANGEMENT WITH SENEGAL. MOREOVER, THERE IS NO FOUNDATION IN THE GATT FOR SUCH PREFERENCES. ACCORDINGLY, THE US CANNOT ACCEPT AN AGREEMENT BY WHICH SENEGAL WOULD GIVE IT PREFERENCES.

2. TO AVOID THE POSSIBLE CONSEQUENCES OF THE REVERSE PREFERENCE PROVISION, SENEGAL MIGHT WISH EITHER TO LOWER

THE MFN RATE TO THE LEVEL OF THE PRESENT PREFERENTIAL RATE IT GRANTS THE EC OR IF THE MFN RATES DO NOT EXCEED BINDINGS, RAISE THE EC PREFERENTIAL RATE TO THE PRESENT MFN RATE, AS SOME OTHER LOME CONFENTION COUNTRIES HAVE DONE. THE FIRST ALTERNATIVE WOULD ALLEVIATE THE INFLATIONARY EFFECT SENEGAL FEARED LAST SPETEMBER (1976 DAKAR 6096). THE SECOND ALTERNATIVE WOULD GIVE GREATER PROTECTION TO DOMESTIC PRODUCERS. WE SUGGEST YOU MENTION THESE POSSIBILITIES TO THE FINANCE MINISTER AND OBTAIN HIS REACTIONS.  
VANCE

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PAGE 01 STATE 046454  
ORIGIN EB-08

INFO OCT-01 EUR-12 ISO-00 /021 R

66011  
DRAFTED BY EB/OT/GCP - RREIS  
APPROVED BY EB/OT/GCP -SAHMAD  
-----060328 044972 /73

R 050135Z MAR 77  
FM SECSTATE WASHDC  
TO USMISSION EC BRUSSELS

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FOL REPEAT STATE 46454 ACTION DAKAR INFO GENEVA DATED 02 MAR 7

QUOTE LIMITED OFFICIAL USE STATE 046454

E.O. 11652: N/A

TAGS: ETRD, SG

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VANCE UNQUOTE CHRISTOPHER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** GENERALIZED PREFERENCES (TARIFFS)  
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**Copy:** SINGLE  
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**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977STATE046454  
**Document Source:** CORE  
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**Drafter:** RREIS  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
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**Line Count:** 156  
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**Litigation History:**  
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**Message ID:** a1bfd7be-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 DAKAR 1439, 77 STATE 40078  
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**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
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**Review Withdrawn Fields:** n/a  
**SAS ID:** 3226513  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** GSP - REVERSE PREFERENCES - SENEGAL  
**TAGS:** ETRD, SG  
**To:** DAKAR  
**Type:** TE  
**vdkgvwkey:** odhc://SAS/SAS.dbo.SAS\_Docs/a1bfd7be-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009